

LAND DISPOSITION REPORT

COMMON COUNCIL OF THE CITY OF MILWAUKEE

DATE

September 25, 2018

RESPONSIBLE STAFF

Rhonda Szallai, Real Estate Specialist, DCD

PARCEL ADDRESS AND DESCRIPTION

The former Forest Home Library at 1432 West Forest Home Avenue (Property) is a one-story building, with about 14,500 SF. The Property contains a surface parking lot, with parking for about 30 cars. The Property was declared surplus by the Milwaukee Public Library at its meeting on September 26, 2017 and it directed the City of Milwaukee (City) to offer the property for sale as of November 1, 2017. The City offered the Property for sale through a Request for Proposals that ended August 30, 2018.



BUYER

Voces De La Frontera, Inc. (Buyer) currently rents space at 1027 South 5th Street. The Buyer has outgrown its current space and intends to expand its services at this new location. It also is ready to permanently invest in owning its own building in the community and believes that the former Forest Home Library is a perfect fit.

PROJECT DESCRIPTION

The Buyer proposes to spend approximately \$100,000 to renovate the existing building to meet its needs. It does not plan to make any changes to the exterior of the building. The Buyer plans to continue providing its citizenship and other services as the need in the community continues to grow. It also plans to rent two small spaces in the building; Christopher & De Leon Law Office and Aurora Walker's Point Community Clinic have each provided a Letter of Interest to lease office space in the building. Their services will significantly enhance the Buyer's services in one location, along with providing additional revenue.

The Buyer understands that the proposed project may require certain City approvals in addition to the approval of the Land Disposition Report. The closing is contingent upon the Buyer obtaining all necessary approvals, including financing and DCD approval of the final building elevations and landscaping plan.

PURCHASE TERMS AND CONDITIONS

The purchase price is \$450,000. An Offer to Purchase will be executed. The sales proceeds, less sale and closing expenses and a 30 percent disposition fee to the Redevelopment Authority of the City of Milwaukee, shall be credited to the appropriate Library Fund.

The conveyance will be on an "as is, where is" basis, with no warranties or representations, express or implied, and with all faults and defects, including all environmental and geotechnical conditions, known or unknown. Such provisions shall bar all tort, warranty and misrepresentation claims, including any action based on non-disclosure. The deed of conveyance will

contain a restriction prohibiting the Buyer or its successors from applying to the City for tax-exempt property status.

The City shall have a retained reversionary interest in the Property to guarantee the Buyer's performance. The City's reversionary right is a material provision to the conveyance of the Property, without which, the City would not have entered into this transaction.

Failure to comply with the schedule or any terms and conditions outlined in this Land Disposition Report or any City policy generally applied to conveyance of City-owned land per Wisconsin Statutes or Milwaukee Code of Ordinances, including not complying with the City's Buyer policies, terminates the Buyer's interest in the Property.